



VILKYŠKIŲ PIENINĖ AB GROUP



THE RESULTS OF 9 MONTHS OF 2013

ABOUT THE COMPANY

Vilkyškių pieninė AB, was established in 1993 m.

On the 30th of September 2013 the Group had 944 employees

The production of Dairy products is the core of Group business

Company's share capital amounts to 11,9 million. Lt

Shares issued by the Company have been included into the Current Trade

List of Vilnius Stock Exchange. The shares are listed in the Official List

Standards: ISO 9001:2000 and ISO 22000:2000



COMPANIES OF THE GROUP

VILKYŠKIŲ PIENINĖ AB

Parent Company

Established in 1993

Main activities: The production of cheese, cream, whey

"MODEST" AB

The subsidiary Company

Established in 1992

Main activities: The production of melted smoked cheese, cheese with mould, Mozzarella, other kinds of cheese

KELMĖS PIENINĖ AB

The subsidiary Company

Established in 1993 m.

Main activities: The production of fresh dairy products.



SHORT HISTORY OF THE COMPANY

- | | |
|------------------|---|
| 1993 | Company established |
| 1999-2000 | the fully computerized and automated technological line of cheese production started to work in Vilkyškiai |
| 2000 | the company received Export Licence to the European Union |
| 2001 | company acquired Taurage workshop form Mažeikiai subsidiary of Pieno Žvaigždės AB |
| 2004 | Vilkyškių pieninė AB received Export Licence to Russia |
| 2006 | acquired "Modest" AB |
| 2006 | the Company have been included into the Current Trade List of Vilnius Stock Exchange |
| 2007 | implement development of main technological line of cheese production in Vilkyškiai |
| 2008 | acquired Kelmės pieninė |
| 2008 | installed the whey processing shop in Vilkyškiai |
| 2008 | These certificates of the standards ISO 9001:2000 and ISO 22000:2000 were presented to Vilkyškių pieninė AB |
| 2009 | Kelmės pieninė AB received Export Licence to Russia |
| 2010 | established marketing department |
| 2011 | "Modest" AB received Export Licence to Russia |
| 2011 | the company began to participate in one of the largest food exhibitions: "Anuga" in Germany and "SIAL" in France |
| 2011 | brand of the company was changed. Vilvi trademark began to used in Export markets |
| 2011-2012 | many new products were introduced in Lithuanian market; Vilkyškių assortment of fresh dairy products was significantly expanded |
| 2012 | the second cheese plant development was implemented in Vilkyškiai. |
| 2005-2012 | Company use the support of European Union and other fonds, involve in social projects |



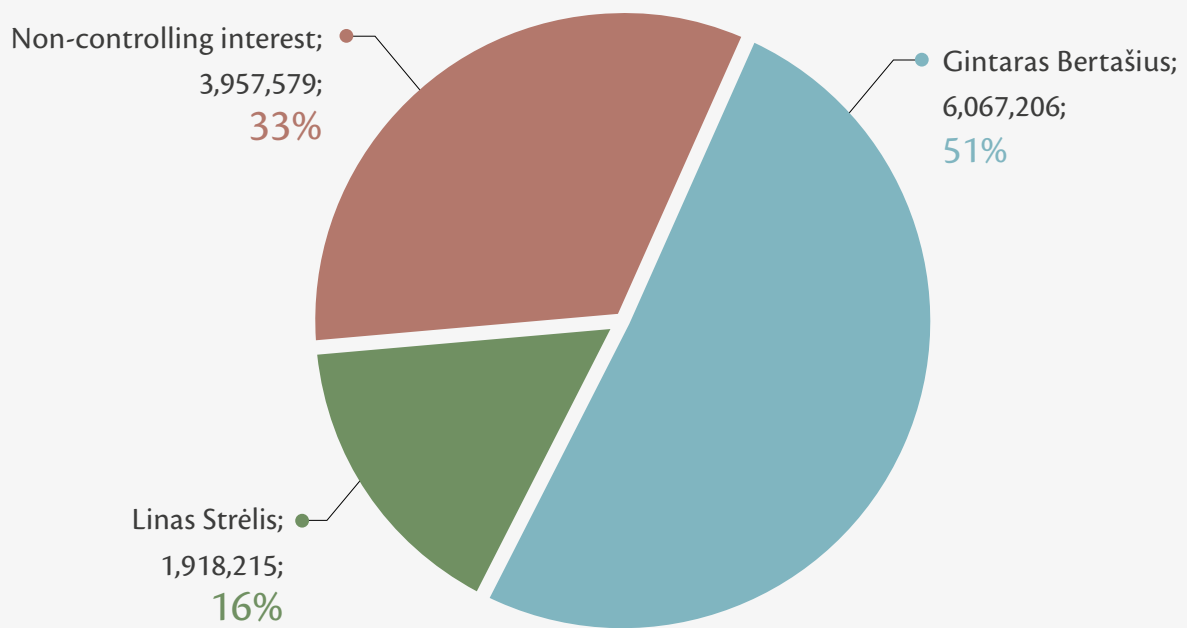
SIGNIFICANT EVENTS IN III Q 2013

- Products, that received exclusive recognition in the exhibition "Prodexpo 2013" (in February):
 - Melted cheese with blue mould and sun-dried tomatoes "Memel Blue" won the gold medal in the "Best Product" category;
 - "Memel Blue" melted cheese with Bruschetta spices got a nomination of innovative product .
- Representatives of the Company participated in the exhibition "Gulfood 2013" in Dubai. During the exhibition, new contacts were established with Lebanon, Saudi Arabia.
- Operations of liquid dairy products packaging line were started, that enables to package products in Tetra Top packaging. This packaging is modern, environmentally-friendly. Reliable cardboard packaging protects the product from environmental exposure: light, air, harmful microorganisms and is convenient to use.
- The building of milk truck washes, garage, warehouse, workshop with household and auxiliary facilities, administrative offices, engineering networks, parks and access was put into operation. This building was the largest construction project in recent years.
- Preparatory work of logistics warehouse was started in Kelmės Pieninė AB.
- "Verslo žinios" in conjunction with the market research company "Nielsen" selected Vilkyškių pieninė AB / Vilkyškių brand as the most successful brand and gave a nomination of "Brand of the Year 2013". Such results were reached due to successfully selected brand positioning and communication content, convincing that all dairy products are not the same.
- DDB Brand Capital survey revealed that "Vilkyškių" brand made the largest breakthrough and included the most solid number of new loyal consumers in Lithuania.

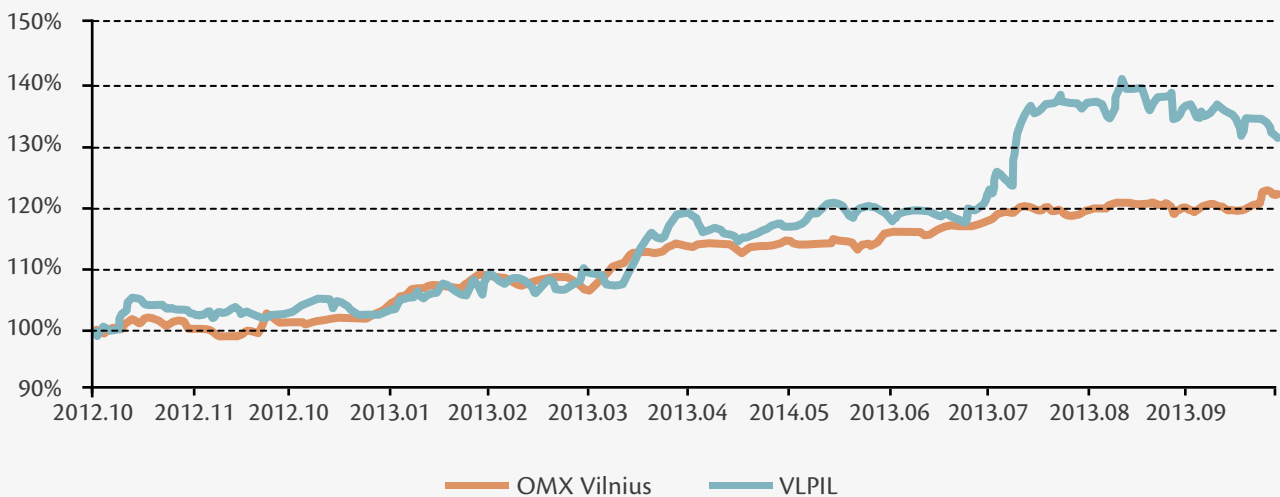
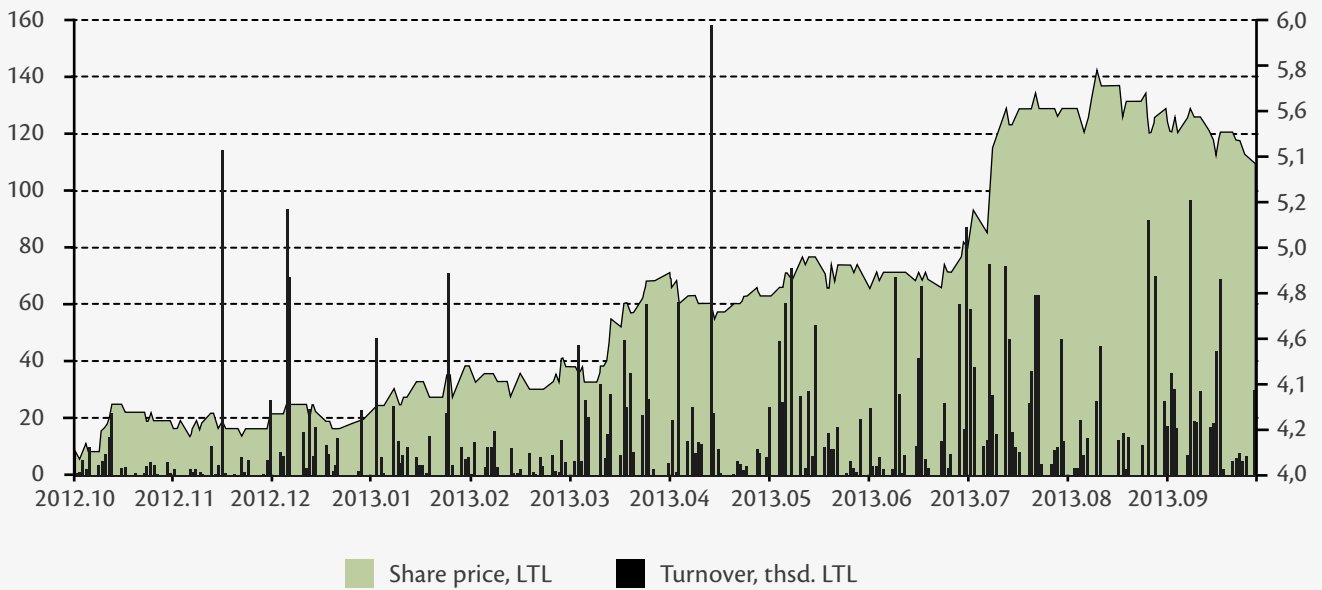


SHAREHOLDERS

Shareholder	Shares	Ownership interest
Gintaras Bertašius	6,067,206	51%
Linas Strėlis	1,918,215	16%
Non-controlling interest	3,957,579	33%
Capital in total	11,943,000	100%



TRADING IN THE ISSUER'S SECURITIES ON THE REGULATED MARKETS



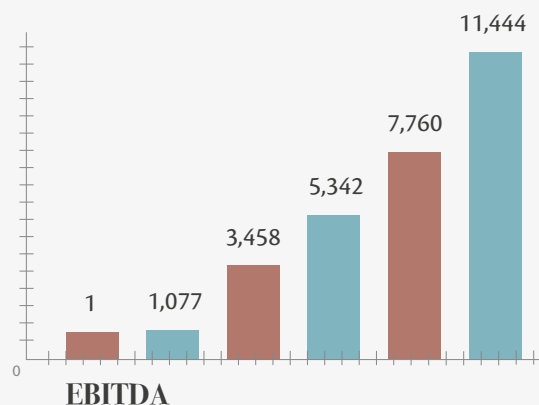
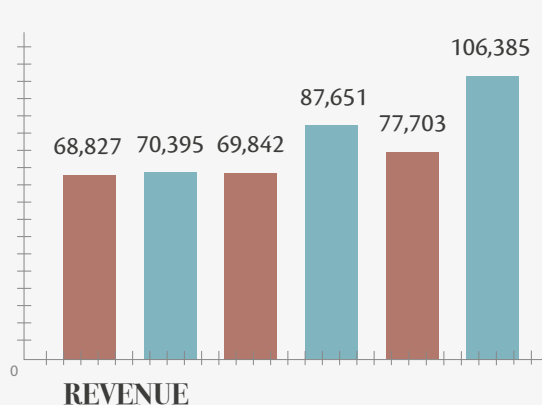
MAIN FINANCIAL INDICATORS

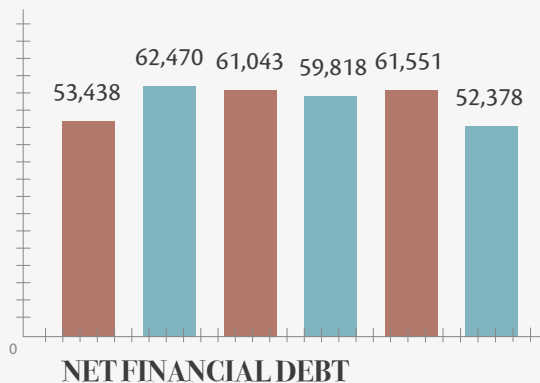
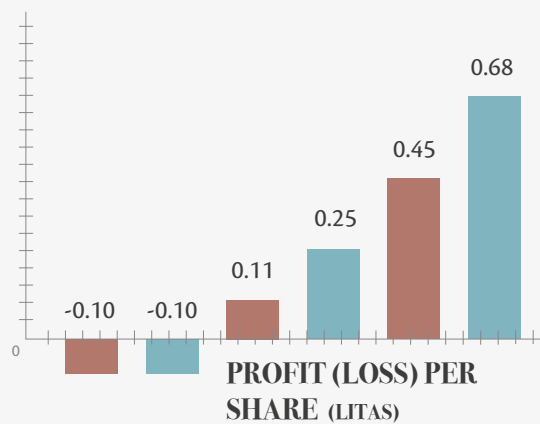
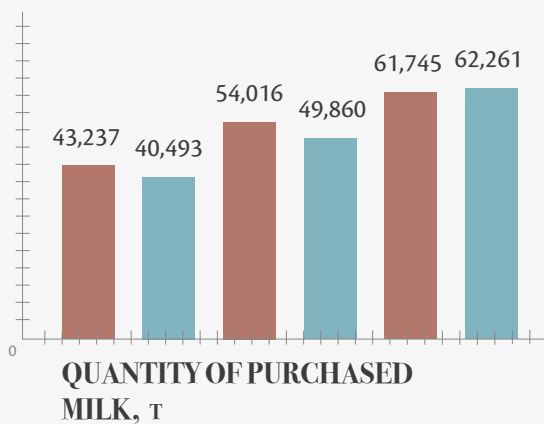
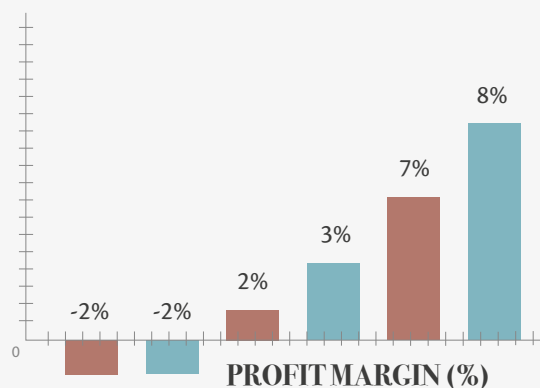
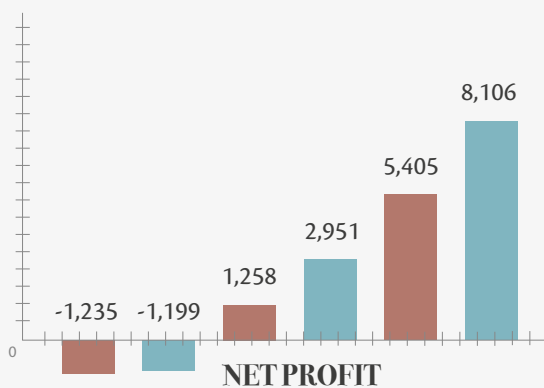
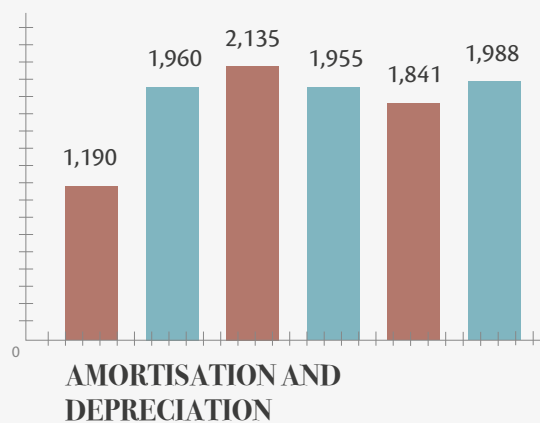
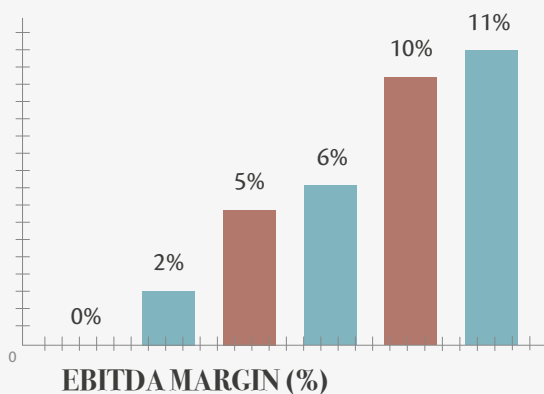
"During the first nine months of this year, the revenue of the Group amounted to 264 million LTL and it is 22 percent more comparing to the same period of the last year. The sales increased due to changes in products' sales prices in export markets comparing to the same period of the last year. Net profit for the nine months of 2013 was almost 10 million LTL, while for the same period of the last year it was 5 million LTL.

During the nine months of this year, the Group of Vilkyškių pieninė AB intensified its activities in Israel, the Arab countries, the Balkans, the Greek markets, in which products are selling with higher added value. Over the past nine months, we have been conducting intensive marketing activity in neighboring countries, and as a result, the Group introduced its dairy products to major retailers in mentioned regions. What is more, we started to operate new liquid dairy products packaging line, started to sell milk, kefir and drinking yogurts in new tetra top packages and the assortment was supplemented by a new product - different flavor yogurt drink. In addition, the plans for the end of the year 2013 are to introduce several new products and to open the first branded shop of Vilkyškių pieninė AB in Tauragė."

(Thousands LTL)	2012 I Q	2012 II Q	2012 III Q	2013 I Q	2013 II Q	2013 III Q
Revenue	68,827	69,842	77,703	70,395	87,651	106,385
EBITDA	1	3,458	7,760	1,077	5,342	11,444
EBITDA margin (%)	0%	5%	10%	2%	6%	11%
Amortisation and depreciation	1,190	2,135	1,841	1,960	1,955	1,988
Net profit	-1,235	1,258	5,405	-1,199	2,951	8,106
Profit margin (%)	-2%	2%	7%	-2%	3%	8%
Quantity of purchased milk, t	43,237	54,016	61,745	40,493	49,860	62,261
Profit (loss) per share (Litas)	-0.10	0.11	0.45	-0.10	0.25	0.68
Net financial debt	53,438	61,043	61,551	62,470	59,818	52,378

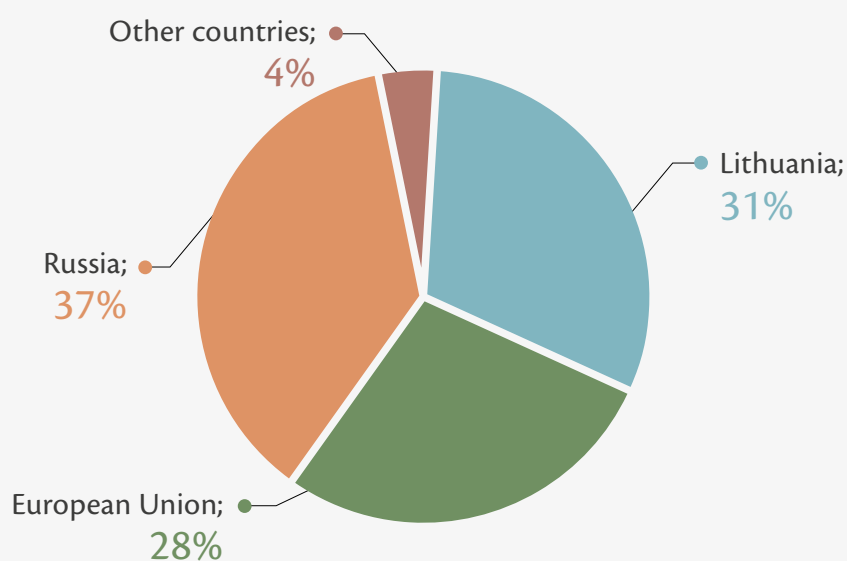
■ 2012 ■ 2013



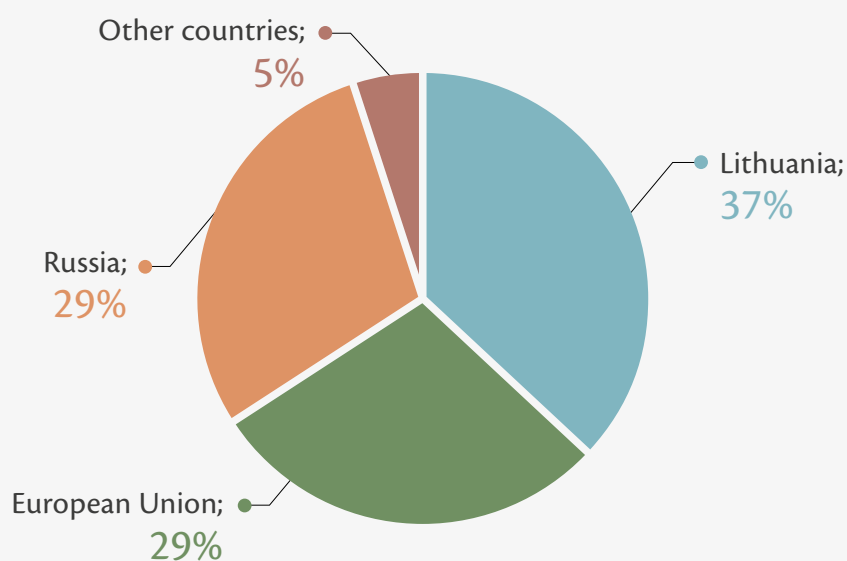


SALES MARKETS

(Thousands LTL)	2012 III Q		2013 III Q	
Lithuania	80,834	37%	81,024	31%
European Union	63,513	29%	72,885	28%
Russia	63,512	29%	97,770	37%
Other countries	8,513	5%	12,752	4%
Viso:	216,372		264,431	



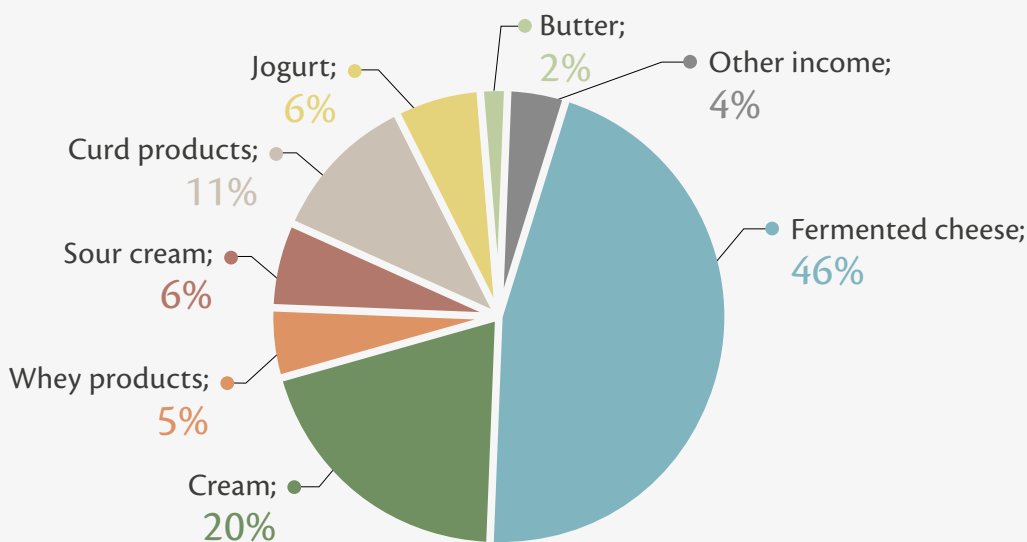
2013 III Q



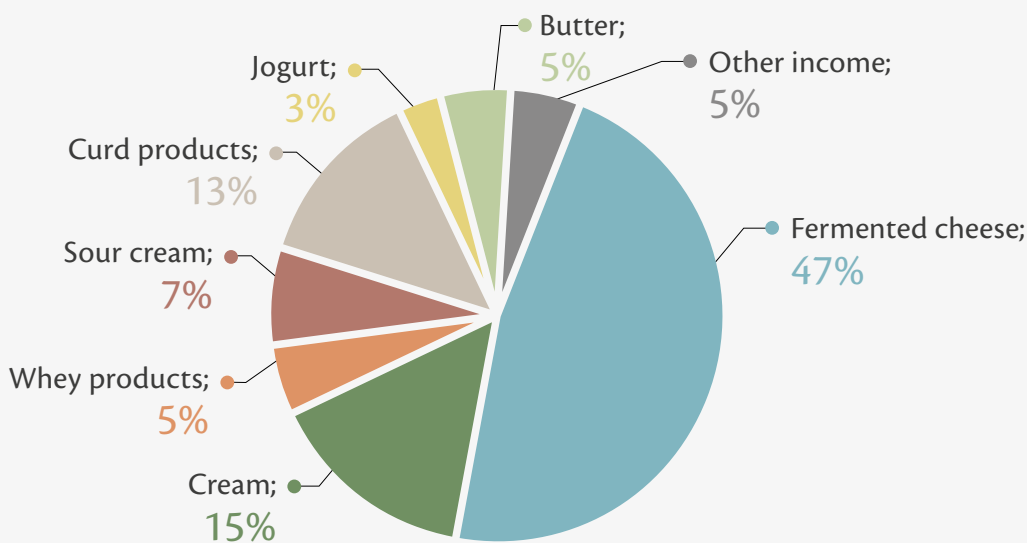
2012 III Q

INCOME FROM SOLD PRODUCTION

(Thousands LTL)	2012 III Q		2013 III Q	
Fermented cheese	102,210	47%	121,069	46%
Cream	31,528	15%	53,509	20%
Whey products	10,261	5%	13,729	5%
Sour cream	15,504	7%	14,826	6%
Curd products	27,158	13%	29,553	11%
Jogurt	6,544	3%	14,834	6%
Butter	10,351	5%	6,540	2%
Other income	12,816	5%	10,371	4%
Total income:	216,372		264,431	



2013 III Q



2012 III Q

VILKYŠKIŲ PIENINĖ AB

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